



Workforce Investment Act Policy
Workforce & Career Development Division

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, the Workforce & Career Development Division sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

Policy Number: 3705
To: Washington WorkSource System
Date of Publication: May 29, 2012

Subject: Self-Employment Training

1. Purpose:

This policy addresses the requirements for the Employment Security Department (ESD) and Workforce Development Councils (WDCs) to comply with state statutes regarding self-employment training.

2. Background:

On June 7, 2012, RCW 50.20.250 was amended to require WDCs to establish a plan for expending WIA funds on self-employment assistance training at a rate that is commensurate with either consumer demand or the rate of self-employment within each workforce development area (WDA).

The Workforce Investment Act (WIA) lists "entrepreneurial training" (also known as self-employment training) as an allowable training service in Section 134(b)(4)(D)(vi) of WIA Chapter 5 (Adult and Dislocated Worker Employment and Training Activities).

3. Policy:

- a. Individuals eligible for WIA (or its successor) must be provided the opportunity to enroll in self-employment or entrepreneurial training programs on the same basis as they are provided the opportunity to enroll in other WIA-funded training, which is consistent with WIA customer choice principles.
- b. WDCs' Responsibilities:
 - i. Notify all WIA-eligible individuals of the availability of self-employment training in their Workforce Development Area (WDA), including but not limited to WIA-eligible training

providers, and

- ii. Prepare and implement a plan for expending WIA funds on self-employment training at a rate proportional to the demand for such services in their WDA or the self-employment rate in their WDA (see Section 3.c.ii).
 - The WIA-related self-employment plan (see Attachments B and C) will be a component of the WDC's annual WIA formula grant allocation package through which WDCs provide to ESD the estimated enrollment and expenditure levels over the four quarters of the grant period.
 - For the purposes of tracking actual expenditures against the planned level of expenditures, WDCs will also be required to report actual expenditures on the quarterly WIA expenditure report (see Attachment D).

Note: It is important for WDCs to recognize that Individual Training Accounts (ITAs) do not represent the full spectrum of demand. Interested individuals may have been denied or may have "dropped-out" prior to the establishment of an ITA.

c. ESD's Responsibilities:

- i. Work with WDCs and the Workforce Training and Education Coordinating Board (Workforce Board) to ensure that the process by which self-employment training providers join the state's Eligible Training Provider List (ETPL) is efficient and that the number of self-employment training providers on the ETPL is sufficient to meet demand. Online self-employment training providers or self-employment training providers from the surrounding area may be utilized to reach a sufficient number of providers to match the demand as long as the providers are on the ETPL.
- ii. Establish the methodologies and options for determining the demand for self-employment training. The options are outlined as follows:
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing Self-Employment Training Demand Data;
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing WDC administrative data as reviewed and approved by WCDD; or
 - The WDA's self-employment rate, if available, from a recognized federal source (e.g., U.S. Bureau of Labor Statistics, U.S. Census Bureau, American Community Survey).

Note: The above methodologies for determining demand for self-employment training will be re-evaluated annually. At a minimum, the Self-Employment Training Demand Data will be updated to provide a more current representation of self-employment training demand (see [WIN 0042](#)). Proposals submitted to WCDD that seek to establish a local rate of self-employment training interest will need to describe how self-employment training interest is captured.

4. **Definitions:**

None.

5. **References:**

- Workforce Investment Act of 1998, Public Law 105-220, Section 134(b)(4)(D)(vi), August 7, 1998.
- Washington State Legislature, [Senate Bill 6289](#), Chapter 40, Laws of 2012, March 15, 2012.
- [Revised Code of Washington 50.62.030](#)
- [Revised Code of Washington 50.20.250](#)
- [WIN 0042](#) – PY13 SET Demand Targets

6. **Supersedes:**

- WIN 0021 – Supplemental Guidance on Policy 3705

7. **Website:**

<http://www.wa.gov/esd/policies/title1b.htm>

8. **Action:**

WDCs and their contractors, as well as Employment Security Area Directors, should distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. **Attachments:**

Attachment A: Self-Employment Targets. WIN 0042 announces self-employment training demand targets on an annual basis by highlighting an approach that aligns with one of the options described in section 3.c.ii.

Attachment B: WIA Adult Service Planning Form and Attachment C: WIA DW Service Planning Form. The WIA Adult and Dislocated Worker formula program planning forms satisfy the requirement that WDCs prepare a plan for expending WIA funds on self-employment training. Each document has line items related to planned entrepreneurial training participants and expenditures by quarter.

Attachment D: WIA Expenditure Reporting. The WIA quarterly expenditure report, through which WDCs report to ESD, captures expenditures for entrepreneurial training services. This information will be compared to planned expenditures reflected in the service plan (Attachments B and C) with actual versus plan being analyzed through the Quarterly Management Review (QMR).

Attachment E: SKIES Data Entry Instructions for WIA Entrepreneurial Training. These SKIES data entry instructions demonstrate proper and accurate establishment and close-out of this activity,

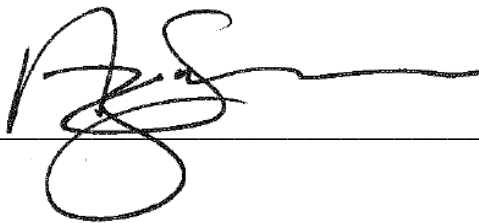
as well as how information it is counted for WIA common measures performance.

Attachment F: Policy 3705–Self Employment Training Q&A. This document offers responses to commonly asked questions related to this policy and its attachments.

Direct Inquiries To:

*Workforce & Career Development Division
Employment Security Department
PO Box 9046
Olympia, WA 98507
(360) 902-9797*

Approved:

X  _____